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Southern District of New York

U.S. ATTORNEY PREET BHARARA

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CONTACT: U.S. ATTORNEY'S OFFICE
James Margolin, Jerika Richardson,
Betsy Feuerstein
(212) 637-2600

BRONX COUNTY DA
Terry Raskyn
(718) 590-2234

FORMER ASSEMBLYMAN ERIC STEVENSON SENTENCED IN MANHATTAN FEDERAL COURT FOR TAKING MORE THAN \$20,000 IN BRIBES IN EXCHANGE FOR PROPOSING LEGISLATION AND PERFORMING OTHER OFFICIAL ACTS

Preet Bharara, the United States Attorney for the Southern District of New York, and Robert T. Johnson, the District Attorney for Bronx County, announced that former Assemblyman ERIC STEVENSON was sentenced today in Manhattan federal court to three years in prison, for taking more than \$20,000 in bribes from four businessmen in exchange for STEVENSON's official acts, including drafting, proposing, and agreeing to enact legislation that favored the bribers' business interests. Specifically, the four businessmen, who sought to operate and construct adult day care centers in the Bronx, paid STEVENSON to sponsor and introduce legislation that would declare a three-year moratorium on the construction of adult day care centers in New York City, but from which their current centers would be exempted, in effect giving the businessmen a monopoly in adult day care centers in the area. In connection with one of the defendants' adult day care centers on Jerome Avenue in the Bronx (the "Jerome Avenue Center"), in exchange for bribes by the businessmen, STEVENSON, in his official capacity as an Assemblyman, contacted Con Edison and the New York City Department of Buildings at their request. In addition, in exchange for bribes, STEVENSON held public events paid for by the businessmen to recruit senior citizens to attend a second center on Westchester Avenue in the Bronx (the "Westchester Avenue Center"). STEVENSON was convicted in January 2014 after a six-day jury trial before U.S. District Judge Loretta A. Preska, who imposed today's sentence.

Manhattan U.S. Attorney Preet Bharara said: "In shameless pursuit of profit, Eric Stevenson took bribes and put his own personal interests before those of his constituents. Now instead of serving the public he will be serving time behind prison walls. I'd like to thank our partners at the Bronx County District Attorney's Office for their collaborative efforts in exposing this corruption and successfully prosecuting this case."

Bronx County District Attorney Robert T. Johnson said: "The betrayal of public trust is one of the most serious matters this office must confront. Stevenson's crimes were not only that, but he also sought to deny services to a vulnerable population, the elderly. We thank the U.S.

Attorney's office for its diligent work in bringing a measure of justice. Together we will continue to trumpet the message that there is no place in New York for dishonest public officials."

According to the Complaint and the Indictment filed in Manhattan federal court, the evidence at trial and sentencing:

STEVENSON has served as a member of the New York State Assembly since 2011 representing District 79, which includes various neighborhoods in the Bronx. The four businessmen – Igor Belyansky, Rostislav Belyansky, a/k/a "Slava," Igor Tsimerman, and David Binman – are individuals who, during 2012 and 2013, were seeking to open and manage adult day care centers in the Bronx, New York, including the Westchester Avenue Center, within STEVENSON's Assembly District, and the Jerome Avenue Center, within another Assemblyman's District. During that time period, they paid multiple bribes to STEVENSON in connection with efforts to open and operate both centers.

For example, at a meeting on July 23, 2012, STEVENSON, Belyansky, and Tsimerman discussed the opening of the Westchester Avenue Center. During this meeting, STEVENSON said that on the following Thursday, July 26, 2012, he was "having a night [event]" for "my reelection" and that he needed "support and help like everyone else." Subsequently, on July 25, 2012, Rostislav Belyansky provided a cooperating witness (the "CW") with a check for \$2,000 made out to STEVENSON's political action committee, which the CW provided to STEVENSON. STEVENSON did not disclose this check as a campaign contribution as required by New York State Law.

At a September 7, 2012, meeting at a steakhouse in the Bronx, Igor and Rotislav Belyansky offered to pay STEVENSON \$10,000 in exchange for calling Con Edison to expedite the installation of a gas line and assisting with obtaining a Certificate of Occupancy from the New York City Buildings Department at the Jerome Avenue Center, and for assistance recruiting senior citizens to attend the Westchester Avenue Center. STEVENSON agreed, but when Igor Belyansky attempted to hand him the \$10,000 in an envelope, STEVENSON indicated that he was concerned that there might be surveillance cameras in the restaurant, so he waited until he was outside of the restaurant to take the cash bribe. On September 18, 2012, STEVENSON gave the CW a \$1,500 cut of the \$10,000 bribe in exchange for the CW's assistance, and promised to pay the CW an additional \$500.

On December 27, 2012, the CW met with STEVENSON and showed STEVENSON a copy of an email dated December 26, 2012, sent from the contractor for the Jerome Avenue Center to Rostislav Belyansky and Tsimerman. In the email, the contractor stated that "[i]t is urgent . . . that we call the State Senator Eric Stevenson so that he can call the building department at once and ask them to have this application reviewed" in connection with getting "a permit to install the gas lines into the building." After reviewing this email, STEVENSON stated, "he's not a smart guy . . . he's not too bright, this guy" because "he put this in writing . . . why he got to put my name in it? . . . He shouldn't have said that." STEVENSON said they needed to avoid creating a "paper trail."

During that meeting, the CW and STEVENSON also discussed the possibility of STEVENSON introducing legislation that would establish a temporary moratorium on the construction and/or opening of new adult day care centers (the "Moratorium Legislation"), which would have the effect of eliminating competition with the Jerome Avenue Center and the

Westchester Avenue Center, thereby substantially increasing the profits earned by those two centers. Subsequently, the CW met with Tsimerman and Igor Belyansky. Tsimerman said that as a result of the Moratorium Legislation, the value of their adult day care centers was “gonna skyrocket. . . . As long as [there’s a] moratorium, I can guarantee you at least a triple [in profits].”

On January 1, 2013, the CW and STEVENSON spoke on the telephone and STEVENSON referred to “Igor” [Belyansky] as “Santa,” in reference to the money he expected to receive. In a subsequent meeting on the same day in the CW’s car, STEVENSON sought assurances that “Igor” [Belyansky] was going to “bless everything,” meaning pay STEVENSON. He added that: “I got the inauguration, I want a blessing [payment] in place, man.” Two days later, the CW gave Belyansky and Rostislav Belyansky a copy of a document titled “Proposed Adult Day Care Center Bill,” which contained a proposal for the Moratorium Legislation. On January 7, 2013, the CW provided the same proposal to STEVENSON. Later that day, Tsimerman provided STEVENSON with another copy of the proposal containing Tsimerman’s notes. On January 9, 2013, the CW told Igor Belyansky that STEVENSON wanted \$10,000 for the Moratorium Legislation, with \$5,000 paid up front. Two days later, on January 11, 2013, at the Westchester Avenue Center, Igor Belyansky, Rostislav Belyansky, Tsimerman, and Binman gave the CW \$5,000 cash. The CW then left the Westchester Avenue Center with the envelope of money and got in his car where STEVENSON joined him, at which time the CW gave the envelope of money to STEVENSON, after taking out his \$500 cut.

On January 27, 2013, STEVENSON met with the CW and told the CW that he was concerned that Tsimerman might be cooperating with law enforcement officials and recording their conversations. STEVENSON said a concern that if “they bring me down... somebody’s going to the cemetery.”

STEVENSON had a draft of the Moratorium Legislation prepared by January 31, 2013, which he showed the CW at a meeting in his office and which was consistent with the bullet points prepared by the CW and Igor Belyansky, Rostislav Belyansky, Tsimerman, and Binman. On February 11, 2013, STEVENSON told the CW: “We got the bill [the Moratorium Legislation] back today . . . [t]he bill is done now, it’s going out to the members . . . to the committee and . . . we’re gonna . . . try to push it to get it to the floor.” On February 16, in a hotel room in Albany, Rostislav Belyansky gave \$5,000 in cash to the CW, which the CW gave to STEVENSON after taking a \$500 cut. While the CW took out his \$500 cut, STEVENSON walked into the bathroom of the CW’s room and left the door open so that he could receive the \$4,500 cash in the bathroom.

STEVENSON introduced and sponsored Bill Number A05139, which places a temporary moratorium on the construction and/or opening of new adult day care centers within New York City on February 20, 2013. The bill was not enacted.

Two days later, in a meeting between the CW and Igor Belyansky, Tsimerman, and Binman, Belyansky said that the legislation would double the value of his share in the Jerome Avenue and Westchester Avenue Centers from approximately \$350,000 to \$700,000.

In the course of recorded conversations between STEVENSON and the CW, STEVENSON repeatedly referenced the convictions and sentences of other New York officials for crimes of public corruption, even as STEVENSON himself requested bribes. For example,

during one meeting between STEVENSON and the CW on December 27, 2012, STEVENSON observed, “if half of the people up here in Albany was ever caught for what they do . . . they . . . would probably be in [jail] . . . so who are they bullsh**ing?” During another meeting, on January 1, 2013, after discussing the convictions of former New York State Senator Carl Kruger, former New York State Senator Pedro Espada, Jr., and former New York State Comptroller Alan Hevesi, STEVENSON commented on being “careful” about “the recorders and all those things” that informants wear in order to be careful not to “put yourself in jail.”

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In addition to the prison term, STEVENSON, 47, of the Bronx, New York, was sentenced to two years of supervised release. He was also ordered to pay \$22,000 in forfeiture and a \$400 special assessment fee.

During the sentencing proceeding, Judge Preska said that STEVENSON’s conduct amounted to a “betrayal of the responsibility bestowed on a public official by his constituents” because he engaged in “selling the core function of a legislator for his own self-aggrandizement.”

Igor Belyansky, Rostislav Belyansky, Tsimerman, and Binman all pled guilty in September 2013 to conspiring to commit honest services wire fraud in connection with their payment of bribes to Stevenson before the Honorable William H. Pauley III. On January 24, 2014, Judge Pauley sentenced Tsimerman to two years in prison and Rostislav Belyansky to 18 months in prison. On February 6, 2014, Judge Pauley sentenced Igor Belyansky to 20 months in prison and Binman to nine months in prison.

Mr. Bharara praised the work of the investigators from the United States Attorney’s Office for the Southern District of New York and the District Attorney’s Office for Bronx County.

This prosecution is being handled by the Office’s Public Corruption Unit. Assistant U.S. Attorneys Paul M. Krieger and Brian A. Jacobs and Special Assistant U.S. Attorney Pishoy Yacoub of the Bronx County District Attorney’s Office are in charge of the prosecution.